



DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP17-470-000]

Freeport LNG Development, L.P. & FLNG Liquefaction 4, LLC; Notice of Request for Extension of Time

Take notice that on May 16, 2022, Freeport LNG Development, L.P. (Freeport LNG) and FLNG Liquefaction 4, LLC (FLIQ4), (together FLNG), requested that the Federal Energy Regulatory Commission (Commission) grant an extension of time, until August 1, 2028, to site, construct and operate a fourth natural gas liquefaction train and pretreatment unit, as well as interconnecting pipelines and utility lines (Train 4 Project or Project) to support additional liquefaction and export operations at Freeport LNG's existing Quintana Island terminal,) and make the Project available for service, as authorized in the May 19, 2019 Order Issuing Certificate (Train 4 Order).¹

On September 10, 2020, the Commission granted FLNG an extension of time until May 17, 2026, to complete construction of the Train 4 Project and make it available for service. Freeport LNG has completed construction of, and placed in-service, liquefaction Trains 1-3 and associated facilities at the Quintana Island terminal and at the pretreatment facility site. However, construction of the Train 4 Project has not yet commenced, due in large part to delays stemming from the COVID-19 pandemic. At the time the original extension of time was granted, it was not expected that the pandemic would persist for as long as it has, or that the resulting effects on global markets, including global LNG markets, the global supply-chain and the financing of large-scale infrastructure, would be so significant. In this regard, the COVID-19 pandemic made it extremely difficult to secure long-term LNG commercial commitments given the far-reaching economic effects of the pandemic, and the uncertainty of future demand.

While FLNG originally projected a 42-month construction schedule for the Train 4 Project, experience gained through the construction of liquefaction Trains 1-3 and the EPC contract bid process for Train 4 suggests that the construction schedule for the Train 4 Project may be closer to 48 to 56 months. Furthermore, potentially longer construction schedules are possible as a result of supply-chain disruptions due to COVID, the Ukraine invasion, and other global supply/demand imbalances. However, given the anticipated minimum 48-56 month period required to construct the Train 4 Project, it is not possible for FLNG to meet the current May 17, 2026 in-service date deadline. The inability to meet this schedule is impeding FLNG's efforts to finalize commercialization of the Train 4 Project and structure the complex financing associated with reaching a final investment decision, notwithstanding the significant upward trend in natural gas markets and U.S.

¹ *Freeport LNG Development, L.P. & FLNG Liquefaction 4, LLC*, 167 FERC ¶ 61,155 (2019) (Train 4 Order).

LNG demand. Certainty regarding FLNG's ability to complete Project construction by the in-service deadline is essential to completing commercialization of the Project, which is why FLNG is filing for an extension now while time still remains on its current authorization. The upfront, long-term commercial commitments required to be made by LNG off-takers, and the unique nature of financing LNG projects, necessitates such certainty.

FLNG requests that the Commission grant an approximately 26-month extension of time so that FLNG may construct and place the Train 4 Project in service by no later than August 1, 2028. This timing, and the commencement of service under FLIQ4's anticipated 20-year off-take agreements in this time frame, is consistent with FLIQ4 and its affiliate's current export authorization from the Department of Energy for exports to non-free trade agreement nations, which extends through December 31, 2050.²

This notice establishes a 15-calendar day intervention and comment period deadline. Any person wishing to comment on FLNG's request for an extension of time may do so. No reply comments or answers will be considered. If you wish to obtain legal status by becoming a party to the proceedings for this request, you should, on or before the comment date stated below, file a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the Natural Gas Act (18 CFR 157.10).

As a matter of practice, the Commission itself generally acts on requests for extensions of time to complete construction for Natural Gas Act facilities when such requests are contested before order issuance. For those extension requests that are contested,³ the Commission will aim to issue an order acting on the request within 45 days.⁴ The Commission will address all arguments relating to whether the applicant has demonstrated there is good cause to grant the extension.⁵ The Commission will not consider arguments that re-litigate the issuance of the certificate order, including whether the Commission properly found the project to be in the public convenience and necessity and whether the Commission's environmental analysis for the certificate complied with the National Environmental Policy Act.⁶ At the time a pipeline requests an extension of

² *Freeport LNG Expansion, L.P. & FLNG Liquefaction 4, LLC*, Order Extending Export Term for Authorization to Non-Free Trade Agreement Nations Through December 31, 2050, DOE/FE Order No. 4374-A, FE Docket No. 18-26-LNG (Oct. 21, 2020).

³ Contested proceedings are those where an intervenor disputes any material issue of the filing. 18 CFR 385.2201(c)(1) (2019).

⁴ *Algonquin Gas Transmission, LLC*, 170 FERC ¶ 61,144, at P 40 (2020).

⁵ *Id.* at P 40.

⁶ Similarly, the Commission will not re-litigate the issuance of an NGA section 3 authorization, including whether a proposed project is not inconsistent with the public interest and whether the Commission's environmental analysis for the permit order complied with NEPA.

time, orders on certificates of public convenience and necessity are final and the Commission will not re-litigate their issuance.⁷ The OEP Director, or his or her designee, will act on all of those extension requests that are uncontested.

In addition to publishing the full text of this document in the Federal Register, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (<http://www.ferc.gov>) using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. At this time, the Commission has suspended access to Commission's Public Reference Room, due to the proclamation declaring a National Emergency concerning the Novel Coronavirus Disease (COVID-19), issued by the President on March 13, 2020. For assistance, contact FERC at FERCOnlineSupport@ferc.gov or call toll-free, (886) 208-3676 or TTY, (202) 502-8659.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the "eFile" link at <http://www.ferc.gov>. Persons unable to file electronically may mail similar pleadings to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426. Hand delivered submissions in docketed proceedings should be delivered to Health and Human Services, 12225 Wilkins Avenue, Rockville, Maryland 20852.

Comment Date: 5:00 pm Eastern Time on June 7, 2022.

Dated: May 23, 2022.

Kimberly D. Bose,
Secretary.

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⁷ *Algonquin Gas Transmission, LLC*, 170 FERC ¶ 61,144, at P 40 (2020).